

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
Olympia Washington**

To: Federally Qualified Health Centers
Rural Health Clinics
Managed Care Plans
Regional Administrators
CSO Administrators

Memorandum No. 02-02 MAA
Issued: January 22, 2002

For more information, email/call:
Penny Dow, HO Program Manager
dowpl@dshs.wa.gov/(360) 725-1636

From: Douglas Porter, Assistant Secretary
Medical Assistance Administration

Subject: FQHC/RHC Enhancement Payments for Healthy Options, CHIP, and
BH+ Clients

Effective with dates of service on and after February 1, 2002, the Medical Assistance Administration (MAA) is implementing a new enhancement payment process for Healthy Options (HO), Children's Health Insurance Program (CHIP), and Basic Health Plus (BH+) clients who receive services at Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC) that are contracted with Healthy Options managed care plans.

MAA sent a letter on June 27, 2001, to FQHCs and RHCs notifying them of this potential change. The impact on FQHCs/RHCs will be minimal.

New Enhancement Payment Process

- Healthy Options managed care plans will assign/enroll HO, CHIP, and BH+ clients to an FQHC/RHC based on information received from MAA through an enrollment or telephone/face-to-face contact with the client.
- Healthy Options managed care plans will send a monthly roster to MAA and the FQHC/RHC simultaneously. Enhancements will be paid by MAA to the clinics based on the number of HO, CHIP, and BH+ clients that are on the monthly roster.



Note: MAA will use Explanation of Benefits (EOB) code 310 - "THIS IS A MANAGED HEALTHCARE FQHC/RHC PREMIUM ENHANCEMENT FOR PROCEDURE CODE 0357M" on the Remittance and Status report to identify the FQHC/RHC enhancement payment.

FQHC/RHC Responsibilities

Roster Verification

FQHCs/RHCs must verify that the monthly roster received from the Healthy Options managed care plans is correct, and that all HO, CHIP, and BH+ clients are listed. If there are any discrepancies, FQHCs/RHCs must notify the plan immediately.



Note: FQHC/RHC staff will be able to reconcile HO, CHIP, BH+ enhancement payments based on the number of clients rather than attempting to identify payment on a per client basis.

FQHC/RHC Delivery Enhancements

FQHCs/RHCs qualified to receive the FQHC/RHC Delivery Case Rate (DCR) enhancement payment may bill MAA directly for the DCR payment. This change will give FQHCs/RHCs the opportunity to have control over when claims are submitted to MAA for the FQHC/RHC DCR enhancement payment. **Use state-unique procedure code 0366M** when billing for the DCR enhancement.



Note: This direct billing method is an option, not a requirement. If the FQHC/RHC and the Healthy Options managed care plan agree that the current billing procedure for the FQHC/RHC DCR enhancement will not change, document the agreement.